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11 December 1981

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with DCI & DDCI, 11 December 1981

1. The DCI reported on his session Thursday with the President's Economic Policy Advisory Committee. He expressed some unhappiness with the slow pace with which the global economic assessment was progressing. I promised him a memorandum on its status and our plan for completion.

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2. I mentioned the military activity now underway in North Korea, commenting that warning analysts were inclined to put more emphasis on the increase in military readiness and regional analysts on the absence of a political context for trouble. While the view presented in publications that what we are seeing was exercise activity represented a consensus, I believe it might be somewhat anodyne. I did not think any action was called for at the moment, but the DCI should be aware that this concern existed.

3. The DDCI asked what we felt about the situation in Poland. Everyone agreed we are entering another dicey period, and it was decided to "tweek" the collection systems again. The DCI noted that the NSC had approved the one hundred million in food aid but had remanded the proposal to open negotiations on a much larger multilateral aid program for further work by State and Treasury.

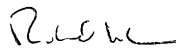
4. The DCI asked whether any work was going forward on systematically linking warning to the countries identified in the instability estimate. Hineman and I noted that this had to be done on a country-by-country basis, but agreed that it ought to be done more systematically than it has in the past.

5. The Director asked how things were going with regard to the work of the NIC Analytic Group vis-a-vis NFAC. Hineman and I said that in general it was going well although there were a few glitches in the gray areas, especially when communication between the two organizations broke down. Gates cited the [redacted] memorandum, [redacted] as one that had made NFAC unhappy.

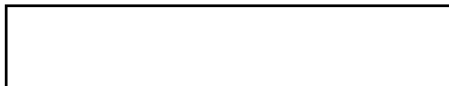
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6. I asked the Director what work [ ] should now be doing on Libya, beyond the SNIE on Libyan activities in Africa. After some discussion, it was agreed that an IIM on Libyan plans for terrorist activities against the US was not necessary, but the DCI asked for another look, presumably a SNIE, on the implications for Libya of proposed US economic sanctions and likely Libyan responses.



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